REMARKS

By the present amendment, 1 to 4, 7 and 9 are pending in the application. Claims 1 to 4 are independent claims.

Restriction Requirement

In response to the restriction requirement, applicants hereby affirm the election of the claims of Group I, i.e., claims 1 to 5, 7 and 9, drawn to a steel tube, i.e., tubular goods.

By the present amendment, non-elected claims 6, 8 and 10 to 16 have been cancelled without prejudice to the filing of a divisional application directed to the inventions of the non-elected claims. The election of claims 1 to 5, 7 and 9 is now made without traverse.

Claim Amendments

Independent claims 1 to 4 have been amended by the present amendment to insert into claims 1 to 4 the limitations of dependent claim 5 directed to the hot rolled structure.

Accordingly, dependent claim 5 has been cancelled by the present amendment.

Independent claims 3 and 4 have also been amended by the present amendment to change "a" appearing at the end of the last line of original independent claims 3 and 4 to -- c -- Support for this amendment may be found in the specification of the present application, e.g., at page 19, lines 18 to 22 and page 27, Table 3, next to last column.

\$112, ¶2

Claims 3 and 4 were rejected under 35 U.S.C. §112, second paragraph, as being indefinite.

In response to this rejection, independent claims 3 and 4 have been amended by the present amendment.

In the last line of original independent claims 3 and 4, "a" has been changed to - - c - - . Support for this amendment in the specification of the present application has been previously discussed.

In view of the present amendment, it is respectfully requested that the rejection of claims 3 and 4 under 35 U.S.C. §112, second paragraph, be withdrawn.

§102/§103

Claims 1 to 5, 7 and 9 were rejected under 35 U.S.C. §102(a) as being anticipated by U.S. Patent No. 7,225,868 to Arai.

Claims 1 to 5, 7 and 9 were rejected under 35 U.S.C. §103 (a) as being unpatentable over U.S. Patent No. 4, 772, 771 to Murayama in view of U.S. Patent No. 7,225,868 to Arai.

These rejections, as applied to the amended claims, are respectfully traversed.

Foreign Priority

The present invention claims foreign priority under 35 U.S.C. §119 from Japanese Patent Application No. 2002-178770 filed June 19, 2002.

The Office Action acknowledges the claim to foreign priority under 35 U.S.C. §119 and the Office Action acknowledges receipt of certified copies of the priority documents in this National Stage application from the International Bureau.

In order to complete the claim of convention priority under 35 U.S.C. §119, enclosed is an English translation, under Declaration, of priority Japanese Patent Application No. 2002-178770 filed June 19, 2002.

U.S. Patent No. 7, 225, 868 to Arai is a continuation of PCT/JP02/02261 filed March 11, 2002 and which was published as WO02/073001 on September 19, 2002. WO02/073001 was published in the Japanese language.

A copy of WO02/073001 published <u>September 19, 2002</u> is enclosed for the convenience of the Examiner.

The earliest date U.S. Patent No. 7,225,868 to Arai is entitled to be prior art in the United States is September 19, 2002.

Priority Japanese Patent Application No. 2002-178770 was filed in Japan on <u>June 19</u>, 2002.

Therefore, U.S. Patent No. 7, 225,868 to Arai is not a prior art reference with respect to the present application.

Therefore, in view of priority Japanese Patent Application No. 2002-178770 filed June 19, 2002 (English translation, under Declaration, enclosed) it is respectfully requested that the rejection of amended claims 1 to 4, 7 and 9 over U.S. Patent No. 7,225,868 to Arai be withdrawn.

U.S. Patent No. 4,772,771

The technology disclosed in USP 4,772,771 ('771 patent) relates to a method for production of an electric seam welded steel pipe for oil-well use having good resistance to collapse pressure and souring. Although the Office Action asserts that the steel pipe of the present invention can be obtained because of the similar chemical compositions and similar production process in the '771 patent, this understanding of the Office Action is incorrect.

In '771 patent, a hot-rolled steel plate is quenched, then this plate is formed into pipe, and then tempering is carried out the thus formed pipe. Therefore, the obtained metallic structure of the pipe of the '771 patent contains tempered martensite, which is quite different than a metallic structure containing a low temperature transformation phase of bainitic ferrite or bainite, alone or combined, according to the present invention. This means that the steel pipe according to the present invention does not treat tempering. Further, as described in the

• specification of the present invention, the upper limit of the cooling rate during heat treatment is 50°C/sec in the present invention for preventing the formation of martensite. See specification, Page 18, Lines 23 to 25. As mentioned before, the metallic structure of the steel pipe of the present invention is quite different from that of '771 patent.

As previously discussed, U.S. Patent No. 7,225,868 to Arai is not a prior art reference with respect to the present application.

In addition, the metallic structure of the steel, according to USP 7,225,868, is comprised of tempered martensite, which is quite different than the present invention.

It is therefore submitted that amended claims 1 to 4, 7 and 9 are patentable over U.S. Patent No. 4,772,771 to Murayama.

CONCLUSION

It is submitted that in view of the present amendment and foregoing remarks, the application is now in condition for allowance. It is therefore respectfully requested that the application, as amended, be allowed and passed for issue.

Respectfully submitted, KENYON & KENYON LLP

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